Status of the Claims

Claims 1-29 and 31 are now pending in the present application. Applicant has cancelled Claim 30, added Claim 31, and amended Claims 1, 3-5, 9, 10, 13, and 16-29 as set forth above, to more clearly define the present invention.

Claims Rejected under 35 U.S.C. § 103(a)

The Examiner has rejected Claims 1-30 under 35 USC § 103(a) as being obvious over Mankovitz in view of Small. The Examiner asserts that each element in the claimed invention is disclosed in the cited art, and that combining elements of the references would have been obvious because Small teaches that encoded data ought to be included in the horizontal overscan portion of a video signal to preclude any possibility that such encoded data could interfere with either the video signal or other data, such as close caption data. Generally, Mankovitz discloses an electronic coupon, and Small discloses data encoded in the horizontal overscan portion of a video signal. In view of the amendment entered above, the claims have been distinguished over the prior art for the following reasons.

Claims 1 and 13 have been significantly amended to include the elements of an electronic coupon that has a setup mode, which is used to enable a user to select a coupon category from a menu of categories. A controller in the electronic coupon analyzes each coupon extracted from the horizontal overscan portion of the video signal and saves only those coupons whose category matches a category selected in the start up mode.

While Mankovitz describes an electronic coupon having related functionalities, the present claimed invention is clearly distinguished over the electronic coupon disclosed by Mankovitz, and there appears no basis to conclude that it would have been obvious to modify the electronic coupon disclosed by the prior art to achieve the present claimed invention.

With reference to applicant's recited startup menu (recited in Claim 10 as originally filed), the Examiner has referred to a remote control disclosed by Mankovitz (column 7, lines 55-60). Taken in context with the disclosure immediately above (i.e., column 7, lines 29-54), it is evident that Mankovitz is describing using a remote control such as a standard VCR remote control to send a signal to an electronic coupon to save a coupon conveyed by a video signal currently being watched. Thus, during a commercial for tires, a coupon for tires

may be encoded in the video signal. The electronic coupon will beep, indicating a coupon has been received. The viewer can actuate keys on the VCR remote to instruct the electronic coupon to store the coupon just conveyed by the video signal. As Mankovitz describes, unless a coupon is affirmatively stored, it is placed in a buffer and eventually discarded as newer coupons are stored in the buffer.

Mankovitz discloses that the processor in the electronic coupon has data segregation capability, and the VCR remote can be used to control this capability (column 7, lines 48-54). Mankovitz specifically refers to this feature as distinguishing different "data formats." However, Mankovitz does not teach or suggest that different data formats are equivalent to applicant's recited "different coupon categories." Indeed, based on Mankovitz's explanation, it appears that all coupons have one data format and that other types of data are in other formats. Mankovitz specifically teaches that data other than coupon data can be encoded in a video signal. As described by Mankovitz, the data format segregation ability is used to prevent data having a different data format (i.e., a non coupon format) from being stored in the buffer of the electronic coupon. Mankovitz also discusses this functionality at column 2, lines 50-64.

The Examiner asserts that Mankovitz discloses a start up mode accessed by a key on a remote. But this start up mode in the cited art is not equivalent to applicant's "accessing a start up mode by manipulating a key on the electronic coupon." Mankovitz does not disclose that a startup mode is accessed using a key on the electronic coupon, or that the controller of the electronic coupon responds by providing a menu of different coupon categories, or that based on the coupon categories selected from the menu using a key on the electronic coupon, the controller will selectively save only those coupons of corresponding categories, while discarding all other coupons.

The Examiner has noted that Holman discloses a display of a plurality of coupons, so a user can select a specific coupon. But Holman's coupon list refers to all coupons stored in a fixed device (home unit 1). The user can display all of those coupons stored on home unit 1 on a TV or in a display on the home unit. Each coupon selected from the list can be exported from home unit 1 to a portable device, such as a magnetic card. Holman's list of stored coupons is therefore clearly not equivalent to applicant's recited menu of coupon categories.

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Claims 1 and 13 recite that the electronic coupon is used before a transmission session to display a menu of different coupon categories, so that in response to the selection of a specific category, the controller of the electronic coupon will automatically save only those coupons having a matching coupon category. Even if the teachings of Mankovitz, Holman, and Small were combined, the result would not be equivalent to the invention recited in Claims 1 and 13. None of the cited art discloses a menu of coupon categories displayed on an electronic coupon in a startup mode. Even if Mankovitz's different data formats were considered equivalent to applicant's recited different coupon categories, Mankovitz does not teach displaying coupon categories on the electronic coupon in a startup mode. None of the cited art discloses a processor automatically saving only those coupons having a matching coupon category, based on a user selection from among a plurality of different coupon categories. While the prior art discloses coupon related concepts, there is no suggestion in the cited art that would lead one of ordinary skill to perform the modifications required to achieve an invention equivalent to applicant's claimed invention. Accordingly, the rejection of Claims 1 and 13 under 35 U.S.C § 103 as being obvious over Mankovitz in view of Small should be withdrawn. Because dependent claims are patentable for at least the same reasons as the claims from which they depend, the rejection of Claims 2-12 and 14-23 under 35 U.S.C § 103 as being obvious over Mankovitz in view of Small, should similarly be withdrawn.

Applicant has amended Claim 24 to correspond to newly amended Claim 1, including the additional element of integrating the decoder into the electronic coupon. Claim 24 is thus similar to dependent Claim 2 (with the inherent recited content of Claim 1). Previously, the Examiner argued that Mankovitz discloses an electronic coupon having a decoder, citing to column 4, lines 21-25 of the reference. However, it must be recognized that Mankovitz discloses a microprocessor that retrieves coupon data stored in the memory of the electronic controller and processes that data so it can be displayed on the electronic coupon. The coupon data stored in the memory of the electronic controller clearly corresponds to coupon data previously extracted from the vertical blanking interval of a video signal using controller 12. Controller 12 is not part of the electronic coupon, but is instead a completely separate hardware component. The decoder recited by applicant's claims, while capable of

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being implemented using a microprocessor, is distinguished from the microprocessor in Mankovitz's electronic coupon, because applicant's decoder is configured to extract encoded coupon data from the horizontal overscan portion of a video signal – not the blanking interval.

The suggested combination of Small and Mankovitz would result in a decoder (i.e., controller 12 modified to extract data from the overscan portion rather than the vertical blanking interval) that is a separate piece of hardware. There simply is no suggestion in the cited art to modify (i.e., program) the microcontroller within Mankovitz's electronic coupon to extract encoded coupon data from the horizontal overscan portion of a video signal. Absent any motivation for such a modification, an obviousness rejection is not justified. Accordingly, the rejection of Claims 2 and 24 under 35 U.S.C § 103 as being obvious over Mankovitz in view of Small should be withdrawn. Because dependent claims are patentable for at least the same reasons as the claims from which they depend, the rejection of Claim 25, which depends on Claim 24, should similarly be withdrawn.

Independent Claim 26 has been amended to recite an electric coupon including a mode key that enables a user to toggle between a redeem mode and a storage mode. While the electric coupon disclosed by Mankovitz has a save key and a read key related to storage and redeem functions, none of the cited art teaches or suggests a mode key enabling a user to toggle between a storage mode and a redeem mode. Other than by hindsight, there appears no basis to conclude that it would be obvious to modify Mankovitz's electronic coupon to include the recited mode key. Accordingly, the rejection of Claim 26 under 35 U.S.C § 103 as being obvious over Mankovitz in view of Small should be withdrawn.

Turning now to the rejection of Claim 27, applicant respectfully submits that the combination of references cited by the Examiner in rejecting Claim 27 (Holman, Small, and Mankovitz), even when combined, do not achieve an equivalent invention. While minor amendments to Claim 27 have been made (replacing "type" with "category" and "made available to be stored" is replaced by "automatically stored"), even absent such amendments, Claim 27 distinguishes over the cited art.

Claim 27 defines an electronic coupon that includes a processor configured to process coupon data decoded from the horizontal overscan portion of a video signal. Arguably, a

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combination of Small and Mankovitz would achieve such an electronic coupon. However, Claim 27 further defines the processor in applicant's electronic coupon as enabling a user to access a set-up mode. When the set-up mode is accessed, a menu of different coupon types or categories is displayed. A user is enabled to select at least one type/category. The processor then automatically evaluates each coupon defined by decoded coupon data that are received by the electronic coupon, and only coupons matching the type/category selected in the set-up mode are automatically stored.

Mankovitz teaches an electronic coupon that can distinguish between data having a coupon format and other formats (column 2, lines 51-65), and Mankovitz specifically teaches that different data formats have different uses, indicating some data formats do not define coupons. Because of this, the processor in Mankovitz's electronic coupon rejects data formats that do not match the coupon data format, and only data formats defining coupon data are stored in a buffer. To protect coupons (i.e., coupon data extracted from a video signal) from being overwritten in the buffer, the user must view each coupon in the buffer and affirmatively decide to store or delete the coupon. Neither Mankovitz nor Small teach or suggest a processor in an electronic coupon that is configured to enable a user to select a set-up mode, or display a list of coupon categories, or automatically store or discard specific coupons based on whether the coupon received matches a selected coupon category. Even if the different data formats disclosed by Mankovitz were considered equivalent to different coupon categories/types (which is an assertion that is not justified), Mankovitz does not teach or suggest an electronic coupon that itself enables a user to affirmatively select coupon categories that should automatically be saved, and coupon categories to automatically not store.

The Examiner has cited Holman as disclosing a menu including a plurality of different coupons, such that a user can select one or more specific coupons. Holman clearly teaches that this menu of coupons corresponds to coupons that have been extracted from a video signal and already stored. Holman's menu displays *coupons*, not categories of coupons. If Holman's menu were included in Mankovitz's electronic coupon, a user would be able to either view a menu of all coupons stored in the buffer, or all coupons stored in the protected memory (or both). There is no suggestion in the cited art of an electronic coupon that displays a menu of coupon categories to enable a user to select categories of coupons to automatically store, such that all

other coupons are automatically discarded.

Because the modification required to achieve the invention recited in Claim 27 is not suggested by the cited art, such a modification would be improperly based on hindsight. Accordingly, the rejection of Claim 27 under 35 U.S.C § 103 as being obvious over Mankovitz in view of Small, and further in view of Holman, should be withdrawn.

Applicant has amended Claim 28 to recite the use of an electronic coupon including an integral decoder. As discussed in detail above with respect to Claim 24, the electronic coupon described by Mankovitz is not configured to extract data from a video signal. Mankovitz explicitly teaches that extracting data from a video signal is performed by a separate controller, which then transmits the extracted data to the electronic coupon using IR or an electrical connection. Even if Mankovitz's electronic coupon included a controller/processor that *could* be programmed to extract data from a video signal, Mankovitz does not teach that the extraction step is executed within an electronic coupon. A combination of Small and Mankovitz would achieve a stand alone controller configured to extract coupon data from the horizontal overscan portion of a video signal, to be transmitted to Mankovitz's electronic coupon. There is simply no teaching or suggestion in the cited art of extracting the coupon data from the video signal using the electronic coupon. Accordingly, the rejection of Claim 28 under 35 U.S.C § 103 as being obvious over Mankovitz in view of Small, should be withdrawn.

Applicant has amended Claim 29 to recite the use of an electronic coupon including a mode key that can be actuated to enable a user to select either a storage mode or a start up mode. In the start up mode, a menu of coupon categories is displayed. In the storage mode, each coupon extracted from the horizontal overscan portion of the video signal is automatically evaluated by the electronic coupon, and only those coupons (as defined by the extracted coupon data) matching a category selected in the start up mode are automatically saved by the electronic coupon. As discussed in detail above with respect to Claim 26, the electronic coupon described by Mankovitz does not include a mode key that is actuated to select a desired one of a storage mode and a setup mode (Mankovitz teaches separate read and save keys to select redeem and save modes). Significantly, Mankovitz's electronic coupon includes no keys that can be used to select a start up mode in which a plurality of coupon categories are displayed. While Holman discloses a menu including a plurality of saved coupons, the cited art does not teach or suggest a

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menu of coupon categories that enables a user to select categories for which matching coupons are to be stored. Finally, the cited art does not teach or suggest using an electronic coupon to automatically analyze coupons (i.e., coupon data) extracted from a video signal such that only those coupons corresponding to a user selected category are automatically saved, while other coupons are automatically not saved. There simply is no suggestion in the cited art of modifying the electronic coupon disclosed by Mankovitz to achieve all that is claimed by applicant. Accordingly, the rejection of Claim 29 under 35 U.S.C § 103 as being obvious over Mankovitz in view of Small, should be withdrawn.

Applicant has cancelled Claim 30, rendering the rejection of that claim moot.

In regard to dependent Claims 11, 22 and 25, applicant recites that the memory comprises magnetic media. The recited memory is part of the electronic coupon. The Examiner states that a video taped program comprises videotape, which is a form of magnetic media. While this is certainly true, the prior art does not teach or suggest an electronic coupon that comprises a video tape program. The cited art does not teach or suggest an electronic coupon having the recited elements and the recited functionality of applicant's claims, including a magnetic memory. Note Holman's magnetic cards have magnetic memory, but not the other elements and functionality recited in conjunction with the electronic coupons defined in independent Claim 1, independent Claim 13, and independent Claim 24. Such magnetic media further distinguish Claims 11, 22 and 25 over the cited art.

Patentability of Newly Added Claim 31

Claim 31 recites an electronic coupon including a mode key that enables a user to toggle between setup, storage, and redeem modes. While Mankovitz's electronic coupon enables coupons to be stored and redeemed, the electronic coupon defined by Mankovitz is not equivalent to the electronic coupon defined in Claim 31. Mankovitz's electronic coupon does not have a setup mode in which a plurality of coupon categories are displayed to a user. Incorporating Holman's menu of stored coupons in Mankovitz's electronic coupon does not achieve the recited menu of coupon categories. Mankovitz's electronic coupon does not automatically evaluate each coupon received to determine if that coupon corresponds to a category selected in a setup mode. As described by Mankovitz, the segregation ability of the microprocessor in Mankovitz's electronic coupon is used to prevent certain data formats (i.e. non

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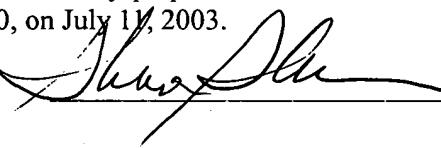Telephone: (425) 688-8816   Fax: (425) 646-6314

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coupon formats) from being stored by the electronic coupon, which is not equivalent to the functionality of the processor in applicant's recited storage mode in this claim.

In view of the preceding amendments and remarks, it will be apparent that all claims in this case define a novel and non-obvious invention, and that the application is in condition for allowance and should be passed to issue without further delay. Should any further questions remain, the Examiner is asked to telephone applicant's attorney at the number listed below.

Respectfully submitted,

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I hereby certify that this correspondence is being deposited with the U.S. Postal Service in a sealed envelope as first class mail with postage thereon fully prepaid addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on July 11, 2003.

Date: July 11, 2003

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